



USAID
FROM THE AMERICAN PEOPLE

KYRGYZ REPUBLIC

CASE STUDY

Cities Computerize Bookkeeping

USAID helps local governments modernize their financial management methods.



“We used to compute salaries on a calculator – it was very time consuming. Now we know how to use Microsoft Excel to do it, and it saves us a lot of time!”

– program beneficiary Aiym Uzbekova, Tax Inspector from Sailyk Municipality

Challenge

Hours upon hours bent over hand-written spreadsheets, checking and re-checking calculations, her only technological assistance a basic four-function calculator – this is how Aiym Uzbekova, a tax inspector in the village of Sailyk, used to spend her time. People working in municipal finance like Aiym, and the municipalities they worked for, were hamstrung by their rudimentary financial management methods. Working out calculations by hand was very time-consuming, and costly errors were common. This led to conflict between municipal administrations and local government employees, such as teachers, over the correct value of their wages and the dates on which those wages should be paid.

Initiative

To improve the situation, USAID, through its Decentralization and Local Government Program, helped municipal financial departments introduce modern, computerized methods of financial management. The project trained Aiym and other municipal finance specialists throughout the Kyrgyz Republic in the skills for computerized calculation of municipal finances. Since almost all local governments already had at least one computer, all trained specialists were immediately able to apply their new skills in practice.

Results

By providing knowledge, the USAID project has created sustainable improvements in the way municipal financial departments work. One participant estimated that computerized methods have reduced the time needed to carry out her duties by 80%, while also dramatically improving the accuracy of calculations.

The success of this program has already spawned a successor – more of these trainings will be conducted before the end of the year, this time in cooperation with the Ministry of Finance. The Ministry of Finance has also requested that starting from this year all local governments submit certain financial reports electronically – something that will help improve the accuracy and efficiency of government at both the local and national levels.